



Ninety-Eighth Legislature - Second Session - 2004
Introducer's Statement of Intent
LB 1097

Chairperson: Elaine Stuhr
Committee: Nebraska Retirement Systems
Date of Hearing: January 29, 2004

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

Legislative Bill 1097 is a comprehensive technical bill, which contains proposed changes submitted by the Nebraska Public Employees Retirement System ('NPERS'). LB 1097 would implement the following statutory modifications:

- Would amend the County Employees and the State Employees Retirement Systems' definitions of compensation to be consistent with the definitions found in the School Employees Retirement System. Also, would clarify definition of eligibility and vesting credit for participation. (See sections 1 and 12).
- Would clarify that both the state and counties have a sixty (60) day period to enroll qualified employees in both the County Employees and the State Employees Retirement Systems. (See sections 2 and 13).
- Would specify that re-employed members of both the County Employees and the State Employees Retirement Systems who elect to repay termination benefits will have to repay the actual earnings on the value of those benefits, rather than just being given the "option" to repay. (See sections 3 and 14).
- Would add language to correctly describe the joint and survivor benefit available to a surviving spouse, when a plan member dies before retiring, under both the County Employees and the State Employees Retirement Systems. (See sections 4 and 15).
- Would clarify the current procedures used by NPERS in calculating a cost-of-living adjustment ('COLA') benefit increase for the Judges' Retirement System, the School Employees Retirement System, and the State Patrol Retirement System. (See sections 5, 9 and 11).
- Would make changes so that if a plan member in the School Employees Retirement System repays withdrawn contributions more than three (3) years after a withdrawal, the assumed rate of return would have to be repaid rather than the current actual rate. (See section 6).

- Would move monies currently in the Retired Teachers Supplemental Benefits Fund and would transfer it into the School Retirement Fund to conform with prior statutory changes. (See sections 7 and 8).
- Would permit a waiver, under the School Employees Retirement System, for a doctor's examination in certain situations where there is a medical disability involving hospice treatment and a terminal illness. (See section 10).
- Would remove language that was not repealed under previous cleanup legislation. (See section 16).
- Would change the leave-with-pay provisions for both state and county plan members, who are under fifty years-of-age and attend a retirement seminar provided by NPERS. Would permit that such seminars may be provided on a partial day basis, spread over a number of days, rather than only during a full workday. (See section 17).

Principal Introducer:

**Elaine Stuhr, Chairperson
Committee on Nebraska Retirement Systems**